Mike McCarthy
Joint Subcommittee on Transportation Special Subcommittee on Transportation
Planning - Testimony 9/27/2024

Good Evening. Thank you for your service to our State, and Thank you for listening

If the gas tax had been indexed to inflation decades ago, we wouldn't be here or need this discussion because ODOT would have the funding they need. I agree ODOT has major funding needs — and that it costs tons of money to maintain the thousands of miles of roads and bridges and everything Mother Nature throws at them. While I could see ways ODOT could save a few dollars here and a few dollars there, it would be nowhere close to bridging the giant funding gap — chasm — canyon — that ODOT faces.

State Highways are the backbone of our transportation system. Here In particular, the freeways (like it or not) – are the backbone of the Portland area transportation system. And when the freeways stop working, the impacts are devastating to our communities.

When the freeways are clogged with congestion drivers divert onto local roads, spewing more pollutants on the starts, stops, hills and curves of smaller roadways. Diverting drivers also cut through our town centers and neighborhoods, reducing our livability and making it scary to walk or bike. This is part of why walking and biking and transit use are down (independent of the pandemic) are down over the last decade.

And when the State can't maintain or provide adequate capacity on freeways, the effects on safety are staggering. When a driver uses surface streets to get around freeway congestion, their fatal/injury crash rate is seven times what it would have been on the freeway. Seven Times! Our current freeway congestion and resulting driver diversion means additional people getting killed or maimed on our roads every week. This is part of why our roadway fatality rates have almost doubled in the past decade.

The planned **freeway improvements are badly needed** – I-205 needs to be three lanes each way. Interstate Bridge. Rose Quarter. I-5 South backs up several hours every day and needs auxiliary lanes both directions from I-205 (where they currently end at North Wilsonville Exit 286) across the Boone Bridge to Hwy 551

Revenue solutions need to prioritize efficiency of tax dollars - minimizing collection costs (don't even think about tolling) – and the tax being incentive for people to drive less so they can pay less.

I believe the solution starts with adjusting the gas tax to account for the inflation of recent decades. I remember buying gas in the 90s for 96 cents a gallon, and of that, 24 cents was state gas tax. If we **adjust the gas tax for inflation** to have the same purchasing power of the 90s and corresponding fees on electric vehicles, that would close ODOT's funding gap. Then changes to something else like a Vehicle Miles Traveled fee could be made in a revenue-neutral way